Fiscal Holding Pattern

HEW Spending Cut by $1.8 Billion

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The Health, Education and Welfare Department spent $1.8 billion less than Congress approved last year for social programs opposed by President Nixon, and plans to continue withholding funds this year.

Departmental briefing papers obtained by United Press International indicate that HEW has settled into a fiscal holding pattern on health, school aid and other forms of federal assistance until Congress takes the next step.

"Essentially, what we are trying to do is to provide enough funds to permit states, localities and other recipients of HEW funds to maintain the staffs which administer these programs until final decisions are made," acting HEW Comtroller Charles Miller said in a memorandum to Secretary Caspar W. Weinberger.

With Mr. Nixon under a series of court challenges for trying to suspend or dismantle programs he regards as wasteful and inflationary, HEW has taken a go-slow spending approach to these programs until Congress acts on the President's new $29.8 million request for HEW in fiscal 1973-74. The present House version of the bill totals $31.5 billion.

"Of course, for those programs where the President's budget requests a maintenance of effort equal to or greater than previous years, we will continue our past practice of making regular monthly or quarterly allocations of grant and contract funds," Miller wrote Weinberger.

Miller told United Press International his department recently started providing some social program funds under a continuing resolution by which Congress approved spending at last year's level until a new appropriations bill is approved.

This means financing will vary from program to program, but in no case will it be higher for any program than it was in 1972-73.

HEW told the House Commerce Committee it withheld $1.1 billion — or nearly $1 out of every $4 authorized by Congress — for family planning, mental health, biomedical research and other health projects last year.

Included in the cutback was $59 million for the National Cancer Institute, a major presidential priority.